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Portugal

Fishery Products

Report

2004

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Report Highlights:

The EU's new Tariff-Rate Quotas (TRQs) for fish imports were recently announced by the EU Council. The new TRQs should lead to improved market-access for U.S. exporters of certain species, such as Pollack. However, Chinese exports of certain salted fish products into Portugal have nearly doubled in 2003 and may emerge as strong competition in this market. 1 USD = € 0.78.

Includes PSD Changes: No
Includes Trade Matrix: No
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Executive Summary

Due to diminishing fishery resources, EU seafood trade policies are being adjusted to enable the EU processing industry to meet its supply needs competitively, opening some windows of opportunities for third country suppliers. The new import tariff-rate quotas (TRQs) for 2004 have just been approved, and permit new, enlarged or otherwise modified import quotas for certain species.

The new EU “autonomous” TRQs for fish for 2004, 2005 and 2006, have been recently approved and published in Council Regulation number 379/2004 (published in the Official Journal L67/7, dated March 2, 2004). Of special relevance to the U.S. fishing industry, the new Regulation institutes a new, 10,000 ton zero-tariff import quota for frozen processing Alaska Pollack (Harmonized Tariff Schedule Code Number (HTSCN) 0303.79.55) and a 30,000 ton tariff-free import quota for processing frozen surimi (HTSCN 0304.90.05). The TRQs for tubes of squid and loligo (HTSCN 0307.49.59 and 0307.99.11) have been increased by 10,000 tons – for a total of 30,000 tons/year; imports under the quota are subject to a 3.5 % duty. TRQs for cod were unchanged: Processing cod (HTSCN 0302.5010, 0302.50.90, 0303.60.11, 0303.60.19 and 0303.60.90) remained at a 50,000 ton duty-free TRQ; and salted cod, n.d., continued at 10,000 tons.

Another change is the application period of the quotas, which in the past was a source of many problems. Accordingly, the TRQs come into force on January 1 of every year the Regulation is in place, instead of being subject to special EU Commission deliberation. During this first year of application, the new Regulation is retroactive to January 1, 2004, allowing importers who filed “autonomous quota” applications to obtain reimbursement of duties already paid. Simultaneously, the EU suspended-duty regime is expected to remain in effect, enabling fresh and frozen processing cod of third-country origin to come into the country at a 3 % tariff rate (12 % in effect for other fresh/frozen cod that does not meet EU “processing” specifications) without quantitative limit.

Portugal imported €399 million of whole cod (fresh, frozen and salted) during CY-2002, of which €181 million in the salted, n.d. form (HTSCN 0305.62.00), and €114 million in the salted dry form. Favored by the falling dollar and the suspended-duty regime, the U.S. share of Portugal's cod imports in 2003 rose to 5.4 % (compared to 4.8 % during CY-2002).

Imports of whole Pollack were another story. The U.S. trade share fell from 76% in 2002, down to 44% in 2003. This reduction is reported to derive essentially from the price-competitiveness of prepared Chinese Pollack products, which displaced large quantities of un-processed, whole Pollock imports during 2003. Due to the cheap labor cost, the competitiveness of Chinese processed, packed Pollock will tend to remain strong in the future.

The rapid expansion of China's fish exports to Portugal in 2003 is perhaps the most visible recent development in the market. During the period January-October, 2002, China shipped 795 tons of seafood products to Portugal; during the same period of 2003, the total reached 1,443 tons. In addition, the shipments in 2002 included seven HTSCN categories; in 2003, they had expanded to 13, most of which involved some degree of processing. While the quantities involved in this trade are still relatively small in terms of the overall size of Portugal's import market, they are a clear indicator of the competitiveness and potential for market penetration of Chinese processed seafood products.

U.S. exporters wishing to export seafood into Portugal should contact the following:

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Associação da Indústria Alimentar pelo Frio (ALIF)
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For additional information regarding the Portuguese fisheries sector, see FAS GAIN Report PO3020. For an overview of EU seafood trade legislation and EU-level trade policy and market development matters related to seafood, see the website of the FAS office in the U.S. Mission to the EU at www.useu.be/agr/seafood2.html.

1 USD = € 0.78

Statistical Annex

Portugal: Cod Imports

Jan/Oct 2002			Jan/Oct 2003		CY – 2002	
M.T.	1,000 €		M.T.	1,000 €	M.T.	1,000 €
Cod, Fresh or Chilled						
Gadus morhua (HTSCN */ 0302.50.10)						
Netherlands	358	2,090	533	3,005	358	2,090
Spain	23	148	85	512	25	157
Other EU	19	64	6	37	21	73
Germany Other EU	Other species (HTSCN 0302.50.90)					
	295	2,052	23	124	494	3,394
	11	71	4	26	12	72
TOTAL	706	4,425	651	3,704	910	5,786
Cod, Frozen						
Gadus morhua (HTSCN 0303.60.11)						
Denmark	3,852	10,745	2,174	5,509	4,362	12,093
U.K.	2,301	6,335	2,394	5,457	2,652	7,238
Spain	800	2,653	2,910	7,635	1,076	3,480
Other EU	521	1,321	231	554	521	1,321
Russia	18,309	46,878	22,126	48,164	21,101	53,633
Norway	1,592	4,538	1,989	4,514	1,592	4,538
All Other	759	1,192	618	1,136	1,265	2,074
Spain	Gadus ogac. (HTSCN 0303.60.19)					
	3	23	14	115	7	45
	Gadus macrocephalus (HTSCN 0303.60.90)					
U.S.A.	3,119	7,675	4,314	8,921	3,500	8,636
EU (Spain)	372	842	1,839	3,932	1,116	2,411
Russia	1,032	2,353	549	1,212	1,313	3,062
All Other	0	0	113	306	0	0
TOTAL	32,660	84,555	39,271	87,455	38,505	98,531

To be Continued.

Portugal: Cod Imports (Cont'd)

	Jan/Oct 2002		Jan/Oct 2003		CY – 2002	
	M.T.	1,000 €	M.T.	1,000 €	M.T.	1,000 €
Cod, Dried and salted (HTSCN 0305.51.90)						
Denmark	19,317	27,197	16,448	19,598	24,735	35,215
Spain	5,252	7,075	7,589	9,739	6,507	9,045
Germany	2,953	3,894	5,573	6,102	4,286	5,598
Sweden	1,931	2,910	9,839	13,866	9,902	16,234
France	1,517	2,874	928	1,814	2,001	3,933
Netherlands	1,412	1,934	855	857	1,412	1,934
Other EU	43	58	73	125	43	58
Norway	26,786	34,986	16,907	20,669	31,906	41,776
Iceland	121	217	0	0	160	295
Russia	107	143	9,015	10,149	107	143
Canada	101	114	189	189	103	116
China	0	0	2,140	2,400	0	0
All Other	25	48	0	0	23	48
TOTAL	59,565	81,450	69,556	85,508	81,185	114,395
Cod, Salted n.d. (HTSCN 0305.62.00)						
U.S.A.	8,263	10,233	7,148	6,755	8,418	10,328
Denmark	6,279	10,169	7,646	12,528	7,538	12,381
Netherlands	4,727	8,444	7,270	12,861	5,420	9,838
Spain	1,190	1,657	8,528	15,179	2,866	5,152
Sweden	1,139	1,893	923	1,499	1,139	1,893
Other EU	731	1,106	993	1,434	800	1,234
Iceland	42,561	75,871	22,223	38,322	45,633	81,243
Norway	25,278	38,682	13,272	18,054	29,754	45,559
All Other	7,115	11,597	6,699	8,544	7,896	12,880
TOTAL	97,283	159,652	74,702	115,176	109,464	180,508
TOTAL **/	190,214	330,082	184,180	291,843	230,064	399,220

Source: National Statistics Institute (INE). */ HTSCN - Harmonized Tariff Schedule Code Number; **/ Converted, Fresh Weight Basis.

Portugal: Cod Exports

Jan/Oct 2002		Jan/Oct 2003		CY – 2002	
	M.T.	1,000 €	M.T.	1,000 €	
Cod, Fresh or Chilled					
<i>Gadus morhua</i> (HTSCN*/ 0302.50.10)					
Spain	42	182	0	2	42
Cape Verde	6	46	4	28	7
Other species (HTSCN 0302.50.90)					
EU	2	18	2	11	2
Cape Verde	1	4	1	8	1
TOTAL	51	250	7	49	52
Cod, Frozen					
<i>Gadus morhua</i> (HTSCN 0303.60.11)					
U.S.A.	0	0	1	4	0
Spain	1,233	3,346	1,477	3,531	1,522
Other EU	852	3,069	356	1,235	940
Brazil	18	176	9	76	18
All Other	12	99	748	1,549	14
<i>Gadus macrocephalus</i> (HTSCN 0303.60.90)					
EU	77	189	8	69	79
All Other	0	0	20	180	7
TOTAL	2,192	6,879	2,619	6,644	2,580
Cod, Dried and salted (HTSCN 0305.51.90)					
U.S.A.	0	0	86	126	0
France	1,708	5,043	3,681	4,927	3,848
Luxembourg	1,362	214	145	213	174
Other EU	4,723	4,802	2,802	3,321	5,564
Canada	2,443	76	36	70	35
Australia	1,071	75	0	0	83
Brazil	3	4,378	4,396	5,749	2,631
All Other	0	2,276	1,566	2,352	2,115
TOTAL	11,310	16,864	12,712	16,758	14,450
Cod, Salted n.d. (HTSCN 0305.62.00)					
France	3,404	1,359	965	1,886	643
Other EU	1,587	6,881	2,621	3,747	4,824
All Other	205	385	16	21	177
TOTAL	5,196	8,625	3,602	5,654	5,644
TOTAL **/	18,749	32,618	18,940	29,105	22,726
					40,468

Source: National Statistics Institute (INE). */ HTSCN - Harmonized Tariff Schedule Code Number; **/ Converted, Fresh Weight Basis.

Portugal: Pollack Imports

Jan/Oct 2002		Jan/Oct 2003		CY – 2002	
M.T.	1,000 €	M.T.	1,000 €	M.T.	1,000 €

Frozen Black Pollack

EU	42	49	4	9	42	49
Norway	317	412	306	276	317	412
Russia	43	43	0	0	43	0
Total	401	504	310	285	401	504

Alaska Pollack & European Pollack

U.S.	1,102	1,566	253	314	1,339	1,902
EU (Spain)	12	19	80	119	22	35
Canada	30	46	0	0	47	68
Russia	17	9	0	0	17	9
Total	1,161	1,640	333	433	1,424	2,013

Portugal: Pollack Exports

Jan/Oct 2002		Jan/Oct 2003		CY – 2002	
M.T.	1,000 €	M.T.	1,000 €	M.T.	1,000 €

Fresh Pollachius virens

Spain	57	154	178	210	64	192
Germany	22	33	77	112	22	33
Total	80	188	255	322	87	225

Seafood Imports from China: Jan/Oct 2003

HTSCN		M.T.	1,000 €	Increase 1/
30559900	Salted, Dry Fish	633	1,970	125 %
30551900	Salted, Dry Cod	499	2,400	-
30530900	Minced, Dry, Salted Fish	398	1,187	-
30749590	Frozen Ioligo	317	337	33 %
30420850	Minced, frozen Alaska Pollack	288	513	37 %
30490610	Minced Alaska Pollack (for Processing)	142	280	17 %
160420050	Surumi preparations	137	162	121 %
30749380	Frozen Ioligo	65	122	-
30569900	Salted Fish, n.d.	45	189	-
30490570	Minced Monkfish	32	71	-
30490350	Minced <i>Gadus macrocephalus</i>	20	34	-
30379810	Whole, frozen monkfish	5	10	-
30420210	Minced, frozen cod	5	19	-
TOTAL		2,584	7,293	287

Source: National Statistics Institute (INE). 1/ Percent increase over Jan/Oct 2002 levels.

Seafood Imports from China: Jan/Oct 2002

HTSCN		M.T.	1,000 €
30559900	Salted, Dry Fish	260	875
30749590	Frozen loligo	196	253
30420850	Minced, frozen Alaska Pollack	166	374
30490610	Minced Alaska Pollack (for Processing)	105	240
160420050	Surumi preparations	44	73
30613800	Frozen Prawns	24	64
160520910	Preserved shrimp	1	3
TOTAL		795	1,882

Source: National Statistics Institute (INE).

Seafood Imports from China: Jan/Dec 2002

HTSCN		M.T.	1,000 €
30559900	Salted, Dry Fish	458	1,510
30749590	Frozen loligo	429	514
30420850	Minced, frozen Alaska Pollack	229	494
30490610	Minced Alaska Pollack (for Processing)	227	498
160420050	Surumi preparations	44	73
30613800	Frozen Prawns	24	64
30749180	Frozen squid	20	29
30530900	Minced, Dry, Salted Fish	12	39
160520910	Preserved shrimp	1	3
TOTAL		1,443	3,224

Source: National Statistics Institute (INE).

EU Cod and Pollack Tariff Codes

0302.50	Fresh/Chilled Cod	
0302.50.10	<u>Gadus morhua</u>	
0302.50.10.20	For Processing	12%; suspended at 3% under certain conditions
0302.50.10.80	Other	12%
0302.50.90	Other Cod Species	
	<u>Gadus ogac.</u>	
0302.50.90.10	For Processing	12%; suspended at 3% under certain conditions
0302.50.90.90	Other	12%
0302.63.00	Black Pollack (<u>Pollachius virens</u>)	
		7.5 %
0302.69.51	Alaska Pollack (<u>Theragra chalcogramma</u>) and European Pollack (<u>Pollachius pollachius</u>)	
		7.5 %
0303.60	Frozen Cod	
0303.60.11	<u>Gadus morhua</u>	
0303.60.11.10	For Processing	12%; suspended at 3% under certain conditions.
0303.60.11.90	Other	12%
0303.60.19	<u>Gadus ogac.</u>	
0303.60.19.10	For Processing	12%; suspended at 3% under certain conditions.
0303.60.19.90	Other	12%
0303.60.90	<u>Gadus macrocephalus</u>	
0303.60.90.10	For Processing	12%; suspended at 3% under certain conditions.
0303.60.90.90	Other	12%
0303.73.00	Frozen Pollock (<u>Pollachius virens</u>)	
		7.5 %
0303.79.55	Alaska Pollack and European Pollack	
0303.79.55.30	Frozen Alaska Pollack	15%
0303.79.55.90	Other	15%
0305.51	Dried Cod, even salted but not smoked	
0305.51.10	Dried, not smoked	
0305.51.10.10	<u>Gadus morhua</u>	13%; ZERO-TARIFF TRQ 1/
0305.51.10.20	<u>Gadus ogac.</u>	13%; ZERO-TARIFF TRQ 1/
0305.51.10.90	Other	13%
0305.51.90	Dried, Salted Cod:	
0305.51.90.10	<u>Gadus morhua</u>	13%; ZERO-TARIFF TRQ 1/
0305.51.90.20	<u>Gadus ogac.</u>	13%; ZERO-TARIFF TRQ 1/
0305.51.90.30	Other	13%

0305.62	Salted Cod, n.d. nor smoked, and fish in brime		
	For Processing:		
0305.62.00.20	<i>Gadus morhua</i>	13%; ZERO-TARIFF TRQ	1/
0305.62.00.25	<i>Gadus ogac.</i>	13%; ZERO-TARIFF TRQ	1/
0305.62.00.29	Other	13%	
	Other:		
0305.62.00.50	<i>Gadus morhua</i>	13%; ZERO-TARIFF TRQ	1/
0305.62.00.60	<i>Gadus ogac.</i>	13%; ZERO-TARIFF TRQ	1/
0305.62.00.90	Other	13%	

(1) 25,000 Mt tariff-free TRQ (EU 09.0007 number of order)